

## Message Text

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PAGE 01 LISBON 06237 222050Z

65

ACTION EUR-12

INFO OCT-01 AF-06 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

AID-05 COME-00 EB-07 FRB-03 TRSE-00 XMB-02 OPIC-03

CIEP-01 LAB-04 SIL-01 OMB-01 SAM-01 SAJ-01 DHA-02

ORM-01 IO-10 /107 W

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R 221513Z OCT 75

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 4691

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMCONSUL LUANDA

AMEMBASSY LUXEMBOURG

AMEMBASSY MADRID

AMCONSUL OPORTO

AMEMBASSY PARIS

USMISSION OECD PARIS

AMCONSUL PONTA DELGADA

AMEMBASSY ROME

AMEMBASSY THE HAGUE

USMISSION NATO

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EO 11652: N/A

TAGS: EAID, PFOR, PINT, PROP, PO, EC

SUBJ: "AVANTE" SMEARS WESTERN AID

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PAGE 02 LISBON 06237 222050Z

SUMMARY: COMMUNIST PARTY NEWSPAPER AVANTE ARTICLE SMEARED U.S. AID (WITH A SIDESWIPE AT EC AID) BY BELITTILING THE AMOUNTS; CLAIMING THAT THERE ARE HEAVY STRINGS; AND LINKING U.S. AID WITH INVESTMENT AS A DRAIN RATHER THAN BENEFIT TO COUNTRY. END SUMMARY.

1. ARTICLE IN OCTOBER 16 ISSUE OF COMMUNIST PARTY (PCP) WEEKLY PAPER "AVANTE" TITLED "THE MIRACULOUS 'AID' OF THE U.S.A." SMEARED U.S. (AND EC) AID AND U.S. INVESTMENT. MAJOR POINTS:

2. SMALL PACKAGE: ARTICLE CLAIMS THAT AMERICAN "LOBBY" IN PORTUGAL (NAMELY SOCIALISTS (PS) AND POPULAR DEMOCRATS (PPD) HAVE BEEN FORECASTING THAT TOTAL AID FROM EC AND U.S. WOULD AMOUNT TO \$4.8 BILLION. INSTEAD, TOTAL ANNOUNCED AID ONLY AMOUNTS TO \$275 MILLION. JUST-ANNOUNCED \$80 MILLION U.S. AID INCLUDES \$35 MILLION ALREADY ANNOUNCED MANY TIMES, AND \$10 MILLION WHICH WILL GO DIRECTLY TO "COFFERS" OF BOEING IN PAYMENT FOR 747 DELIVERED TO PORTUGUESE AIRLINE TAP.

3. STRINGS: SO-CALLED U.S. AID IS "TRADITIONAL OPERATION" BETWEEN CAPITALIST COUNTRIES. BOTH U.S. AND EC AID ARE "TIED" CREDITS. KISSINGER AND FORD HAVE MADE SINISTER REMARKS ABOUT U.S. CONCERN ABOUT ANGOLAN REFUGEES AND INSTITUTION OF DEMOCRATIC GOVERNMENT IN PORTUGAL. \$35 MILLION OF U.S. AID IS TO BE CHANNELED TO ANGOLAN REFUGEES. U.S. RESERVED FOR ITSELF DECISION ON WHERE MONEY WAS TO GO, AND FROM PAST PRECEDENTS WILL PROBABLY RESERVE TO ITSELF POWER OF DECISION ON HOW MONEY IS SPENT. IT HAS ALSO BEEN VERY COMMON FOR CONGRESS TO EMBARGO PROMISED LOANS AT THE LAST MOMENT, ON ABSURD PRETEXTS; EVEN MORE COMMON IS LINKING OF AID TO POLITICALLY UNACCEPTABLE AND ECONOMICALLY RUINOUS CONDITIONS.

4. NO GIFT: \$275 MILLION IN SO-CALLED AID WILL COST PORTUGAL \$353 MILLION. LATIN AMERICAN EXPERIENCE PROVIDES GOOD PARALLEL FOR PORTUGAL. 1969 VINA DEL MAR CONFERENCE CONCLUDED THAT U.S. AID WAS OF DESPOILING NATURE, AND EMPHASIZED LINK WITH FOREIGN INVESTMENT. ARTICLE CITED UN REPORT THAT U.S. INVESTMENT FROM 1960-68 REPRESENTED \$6.7 BILLION DEFICIT FOR LATIN AMERICA, AND OAS STATEMENT THAT IN LAST PART OF 60'S, REMITTANCES TO U.S. WERE SEVEN TIMES INVESTMENTS. REVOLUTIONARY GOVERNMENTS LIKE PERU NEVER ACCEPTED TERMS OF U.S. PATERNALISTIC AND "ILLUSORY" LIMITED OFFICIAL USE

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PAGE 03 LISBON 06237 222050Z

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5. COMMENT: A. PRESS AND MODERATE PARTIES SPECULATION ABOUT AMOUNTS OF EXPECTED WESTERN AID, ALTHOUGH UNREALISTIC, NEVER APPROACHED LEVEL CITED IN AVANTE. MOST SPECULATION CENTERED ON \$700 MILLION TO \$1 BILLION FROM EC, WITH MUCH LESS FROM U.S.

B. AVANTE ARTICLE MADE OBVIOUS ATTEMPT TO KILL TWO BIRDS,  
AID AND INVESTMENT, WITH SAME RHETORICAL STONE. NATURALLY ENOUGH,  
NOTHING AT ALL WAS SAID ABOUT THE MANY BALLYHOOED BUT UNFULFILLED  
HOPES FOR AID FROM COMMUNIST BLOC.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, PROPAGANDA, ALLEGATIONS, FOREIGN ASSISTANCE, FINANCIAL CONTRIBUTIONS, COMMUNISTS  
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**Copy:** SINGLE  
**Draft Date:** 22 OCT 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 28 APR 2003  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** "AVANTE" SMEARS WESTERN AID BEGIN UNCLASSIFIED  
**TAGS:** EAID, PFOR, PINT, PROP, PO, US, EEC, AVANTE  
**To:** STATE  
**Type:** TE  
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